DENNY REHBERG

January 17, 2013

Frankie Hampton Federal Election Commission 999 E Street NW Washington, D.C. 20463

RE: MUR 6674

Dear Ms Hampton:

My treasurer, Lorna Kuney has advised me that the FEC has requested a statement from me concerning the above referenced complaint. I have reviewed the complaint and the responses of Jake Eaton and Lorna Kuney. I attempted to access the Yellowstone Public Radio Interview cited in the complaint, but it was no longer accessible, so I am unable to comment on the substance of the interview, other than to note that Mr. Beck was not responsible for reporting compliance, and the complaint itself acknowledges that campaign staff immediately clarified that the campaign did in fact pay for expenses and allocated the allowable value of the donated vehicle as an in-kind contribution and stated that it would pay for additional use of the bus and expenses. Actual reports confirm those statements were accurate.

As you can imagine, as a candidate for the U.S. Senate, I was not involved in the day to day operation of the campaign. I do recall conversations with staff members concerning Mr. Beck's offer to make an in-kind contribution of his personally owned recreational vehicle (RV) and to volunteer as driver to transport other volunteers on door-to-door tours. To the best of my recollection, the 13 year old vehicle could only transport 8 to 10 passengers. The staff communicated that they would review the FEC requirements to determine the extent to which the offer could be accepted. Based upon Mr. Eaton's response, it appears that the staff complied with requirements by contacting local providers to ascertain the usual fare or rental charge for a comparable commercial conveyance, and appropriately allocated a portion of those costs as an in-kind contribution and paid for all additional costs not qualifying for exemption. Mr. Beck, as an individual, was entitled to volunteer his personal service as the driver. Actual fuel and incidental expenses were paid by the campaign.

The assertion by Montanans for Tester that a higher price was quoted by a national charter company for charter service is irrelevant. Mr. Beck is not in the charter business and was legally able to provide his personal service as driver. In addition, we have no indication as to whether the quoted price was based upon the Montana market or New York City. There is no evidence that the selected charter service routinely serviced Montana or even had any comparable conveyance in Montana and no delineation of what type of incidental services were included in the quote. Mr. Eaton, however, specifically contacted local providers and obtained information based upon the local market and the transportation service provided. I reiterate, Mr. Beck did not provide a charter service. He provided a decade old personal recreational vehicle capable of transporting 8 10 passengers. Comparing Mr. Beck's contribution to a national charter service is spurious.

For the record, I concur in Mr. Eaton's assessment that the complaint was filed improperly for the sole purpose of generating pre-election press. In your letter to Mrs. Kuney you state:

"This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and §437g(a)12(A) unless you notify the Commission in writing that you wish the matter to be made public."

The regulation interpreting the confidentiality provision of the statute, 11 CFR §111.21 provides as follows:

§111.21 Confidentiality (2 U.S.C. 437g(a)(12)).

(a) Except as provided in 11 CFR 111.20, no complaint filed with the Commission, nor any notification sent by the Commission, nor any investigation conducted by the Commission, nor any findings made by the Commission shall be made public by the Commission or by any person or entity (emphasis added) without the written consent of the respondent with respect to whom the complaint was filed, the notification sent, the investigation conducted, or the finding made.

The provisions of 11 CFR §111.20, which deal with public disclosure after final determination, are not applicable. Nevertheless, Montanans for Tester not only issued a press release concerning the complaint, but posted a copy of the complaint and stated in its release that the "FEC wrote a letter threatening "penalties" or legal enforcement action for Rehberg's non-compliance with reporting requirements." (Copy attached) Posting the complaint and reference to FEC correspondence prior to disposition of the case is a clear violation of 2 U.S.C. §437g(a)(12) and 11 CFR 11.20. In addition, the reference to penalties and legal enforcement is a clear mischaracterization of your letter to Mrs. Kuney, which merely informs Mrs. Kuney of the ability to respond to the complaint.

The FEC should not tolerate such blatant misuse of the FEC rules and procedures. The written submissions of Mr. Eaton and Ms Kuney and the filed reports support the conclusion that Montanans for Rehberg complied with reporting requirements applicable to Mr. Beck's contribution. Accordingly, I request that no further action be taken against Montanans for Rehberg or me. However, in light of the clear violation of the confidentiality provisions of the statute, the misrepresentation of the FEC's correspondence, the absence of any relevant factual support for the asserted claims, and the misuse of the election laws for personal political gain, I respectfully penalties be assessed against Preston Elliot and Montanans for Tester under 11 CFR §111.24(b) in the amount of \$7500 each.

Respectfully submitted,

Dennis R. Rehberg



Making the Senate look a little more like Montana

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FEC complaint filed against Rehberg for yet another campaign violation

Montanans for Tester hold Rehberg accountable to the law

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BILLINGS, Mont.—Montanans for Tester today filed a formal complaint with the Federal Election Commission (FEC) against Congressman Dennis Rehberg for yet another campaign finance violation.

A copy of the complaint is <u>available</u> online HERE.

Like

Rehberg's violation involves accepting an excessive in-kind campaign donation in the form of a luxury bus. Since September, Rehberg's campaign has been using the donated Prevost Entertainer luxury bus to crisscross Montana.

Federal law prohibits in-kind donations from couples that exceed \$5,000 per election. The value of Rehberg's use of the bus, fuel, <u>insurance</u> and driver's time far exceeds \$5,000.

Rehberg is allowed to pay fair market value for use of the bus with his own campaign. But in his payment for expenses related to latest FEC report, Rehberg failed to report a campaign road trip in September that spanned at least seven days and 3,700 miles—a journey whose actual cost exceeds the \$5,000 limit.

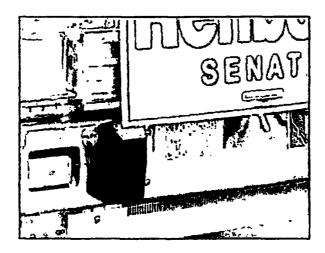
http://www.jontester.com/news/press-releases/2012/fec-complaint-filed-against-rehberg-fo... 1/16/2013



Montanans for Tester first suspected Rehberg of violating election law after the owner of the bus, Dr. Ted Beck of Helena, admitted to a radio reporter that he was paying for the costs of Rehberg's travel.

Although Rehberg claimed he was paying for the costs of the bus, he failed to report those expenses in his latest fundraising report. Rehberg only reported \$4,880 in-kind-donations from Ted Beck and his wife, Vicki.

"Even in the final days of this election Dennis Rehberg is refusing to hold himself accountable to Montanans," said Montanans for Tester spokeswoman Alexandra Fetissoff. "Dennis Rehberg has repeatedly made irresponsible decisions that hurt Montanans—he just can't be trusted to look out for anyone but himself."



The front of Rehberg's bus

This is not Rehberg's first failure to hold himself accountable to Montanans.

Rehberg this summer failed to disclose the occupations of **one-in-seven campaign donors** as required. In 2011, Rehberg hid \$25,000 in campaign contributions he took from **registered lobbyists**.

The FEC even wrote a letter threatening "penalties" or "legal enforcement action" for Rehberg's non-compliance with reporting requirements.

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Paid for by Montanans for Tester